

MARKET RELEASE

INEXUS SUCESSFULLY REFINANCES £461 MILLION

17 December 2009, Sydney - Challenger Infrastructure Fund (CIF) today announced that Inexus has successfully refinanced its £461 million debt facilities¹. The existing bank group has extended the terms of the £461 million debt facilities to 31 August 2012².

Chief Executive of CIF, Steve Bickerton said: "We are extremely pleased to have completed the refinance of Inexus. The banking syndicate's support of the refinance is testament to the quality of the Inexus business model and the highly predictable nature of Inexus' long term regulated cashflows. Inexus has an enviable track record, with revenue and EBITDA growth of 107% over three years (CAGR of 27.5%). The completion of the refinance will allow Inexus to continue its focus on further revenue growth through the build out of its existing order book, and the continued ability to leverage its unique position as the only independent multi-utility provider in the UK."

The senior debt facilities have been priced at an initial margin of 250 basis points and the junior debt facility has been priced at an initial margin of 450 basis points. Both the £426 million senior debt facilities and the £35 million junior debt facilities will mature in August 2012.

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About Challenger Infrastructure Fund (CIF):

CIF is an Australian publicly listed global diversified infrastructure fund that invests in regulated and contracted monopoly-like assets. CIF has a portfolio of assets which are diversified by sector and also geographical location and focuses on countries with relatively stable political and regulatory environments. CIF takes a disciplined approach to the types of assets in which it invests in order to provide security holders with exposure to assets with long term predictable cash flows. CIF's portfolio is diversified across 2 key assets: Inexus and LBC. For further information please visit our website: www.challenger.com.au/cif

Important notice:

Any forward looking statements included in this document are by nature subject to significant uncertainties, risks and contingencies, many of which are outside the control of, and are unknown to, Challenger and/or CIF, so that actual results or events may vary from those forward looking statements, and the assumptions on which they are based.

¹ Original total debt facilities of £475m have been reduced to £461m as an unutilised revolving credit line has been reduced.

² Previous maturity date was 31 August 2010.